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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	Chapter 11 Case No.
LEHMAN BROTHERS HOLDINGS INC., et al.,	:	08-13555 (JMP)
Debtors.	:	(Jointly Administered)
	:	
	:	

**DECLARATION OF SHAI Y. WAISMAN IN SUPPORT OF
ORDER TO SHOW CAUSE SCHEDULING A HEARING TO CONSIDER
DEBTORS' MOTION PURSUANT TO SECTIONS 105, 365, AND 554(a) OF THE
BANKRUPTCY CODE TO ESTABLISH PROCEDURES FOR THE
ASSUMPTION AND ASSIGNMENT OR REJECTION OF EXECUTORY CONTRACTS
AND UNEXPIRED LEASES OF PERSONAL AND NON-RESIDENTIAL REAL
PROPERTY AND ABANDONMENT OF RELATED PERSONAL PROPERTY**

SHAI Y. WAISMAN, being duly sworn, hereby declares pursuant to section 1746
of title 28 of the United States Code:

1. I am an attorney admitted to practice before this Court and a member of Weil, Gotshal & Manges LLP, attorneys for Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together, the "Debtors" and, collectively with their non-debtor affiliates, "Lehman").

2. I am submitting this declaration in support of the Order to Show Cause being contemporaneously submitted to schedule a hearing on expedited notice with respect to the Debtor's motion (the "Contract Procedures Motion")¹ pursuant to sections 105, 365, and 554(a) of the Bankruptcy Code to establish procedures for the assumption and assignment or rejection of executory contracts and unexpired leases of personal and non-residential real property and abandonment of related personal property.

3. The Debtors respectfully submit that expedited consideration of the Contract Procedures Motion is warranted for the following reasons:

- i. The Contract Procedures Motion has been filed to facilitate transactions relating to (i) the Asset Purchase Agreement (as amended and clarified from time to time, the "Purchase Agreement"), dated September 16, 2008, in which certain of the Debtors and Lehman Brothers Inc. ("LBI") agreed to sell to Barclays Capital Inc. ("Purchaser") certain of their business operations and related assets, and (ii) the Court's order (the "Sale Order") [Docket No. 258], dated September 20, 2008, approving the Purchase Agreement and the various transactions contemplated therein.
- ii. Under the Purchaser Agreement, Purchaser has the right to designate contracts and leases for assumption and assignment as a "Purchased Contract," or for rejection as a "Rejected Contract." The Purchaser is continuing to review such contracts and leases and has indicated that it needs to take immediate assignment of certain contracts and leases that are vital to the uninterrupted operations of the business, and to implement a process for resolving cure objections in connection with such assignments. Numerous counterparties to contracts have contacted counsel to the Debtors and Purchaser seeking clarity on the process for assumption, and particularly regarding the process for resolving cure disputes in connection with the assumption of contracts, and the implementation of the proposed procedures would benefit the administration of the Debtors' estates as well as the sale process by providing such clarity. Moreover, certain of the Debtors' contracts require performance

¹ Capitalized terms that used but not defined here have the meanings ascribed to them in the Contract Procedures Motion.

within the next few days in order to avoid the loss of valuable business opportunities. As the Court found in the Sale Order, “exigent circumstances” exist here due to the “wasting nature” of the Debtors’ assets. See Sale Order at ¶ C.

4. Accordingly, the Debtors request that the Court enter the Order to Show Cause and schedule a hearing to consider entry of the Contract Procedures Order on October 2, 2008, at 3:00 p.m. (New York Time).

Dated: September 26, 2008
New York, New York

/s/ Shai Y. Waisman
Shai Y. Waisman